Saskatchewan
Tourism and
Small Business

Annual Report
1984-85

Saskatchewan
Tourism and
Small Business

Saskatchewan Tourism and Small Business

Annual Report 1984-85

Minister's Transmittal 1
Deputy Minister's Transmittal 3
Organization Chart 5
Small Business Objectives 6
Program Management Branch 6
Regional Services Branch 8
Venture Capital Program Branch 9
Community Economic Development Branch . . . 10
Northern Business Development Branch 12
Marketing Benefits Branch 13
Business Information and Research Branch . . . 14
Tourism Objectives 16
Tourism Development Branch 16
Tourism Marketing Operations 18
Promotions Branch 21
Public Affairs Branch 24
Administration Branch 25
Tables 26
Financial Statement 28

To the Honourable F. W. Johnson
Lieutenant Governor of the
Province of Saskatchewan

Sir:

I have the honour to submit the 1984-85 Annual Report of the Department of Tourism and Small Business.

In completing its second year of operation, the department saw many of its planning initiatives of the previous fiscal year put into action. Programs in both the tourism and small business divisions showed positive results – results that had, and are continuing to have, a broad impact on Saskatchewan's economy.

The 1984-85 fiscal year signalled a new era for tourism in Saskatchewan. The government affirmed its increased commitment to the tourism industry by approving the largest budget for tourism marketing in the province's history.

The budget allowed the department to undertake a more concerted, professional approach in promoting Saskatchewan, in attracting more tourists and in encouraging more of our own residents to vacation at home. The success of this approach became apparent in the 43.8 per cent increase in total inquiries to the department over 1983 and the 56 per cent increase for the January to March, 1985 period. Tourism expenditures in Saskatchewan also went up in 1984 by four per cent to $971 million.

Another significant statistic was the $20 million decrease in the 1984 travel deficit – the largest decline ever. The deficit is the difference between what visitors to the province spend and what residents spend on trips outside Saskatchewan. Stabilizing and ultimately reducing the deficit is a tourism priority of the government.

Promoting Saskatchewan's tourism products in 1984-85 included major advertising campaigns in new Canadian and U.S. markets; an extensive government/private sector program of sales missions and attendance at sports and travel shows across North America; work on the first Saskatchewan tourism film in more than a decade; and preparation of the province's most comprehensive series of travel publications, including the informative *Great Saskatchewan Vacation Book*.

During the year a number of initiatives were taken to ensure that Saskatchewan's tourism industry will be led by the private sector, not by government. A tourism development strategy was commissioned which identified constraints to, and opportunities for expansion of the industry. A private sector task force was formed to advise my predecessor on tourism issues. A major tourism, travel and culture conference brought together "key players" in the industry. The "Saskatchewan Host" hospitality training program was delivered to the industry's front-line staff through seminars in 13 communities.

Perhaps the most notable development was the signing in November of the first tourism agreement

between the province and the federal government. The five-year agreement will inject $30 million into Saskatchewan's tourism industry, and provide assistance for a wide range of private and public sector projects, especially those which create employment and enhance the quality of the province's primary tourist destinations.

Department staff had an equally busy 1984-85 designing programs responsive to the needs and concerns of the small business community. By contributing billions of dollars to our economy each year and employing nearly one-quarter of our labour force, small business is obviously an economic mainspring for our province. Department programs, developed through consultation with business people, have helped stimulate growth in business and industry and have created greater employment opportunities for our citizens.

A new vehicle for business investment, The Venture Capital Corporation Tax Credit Act, was introduced in the legislature in May, 1984. The Act helps provide investment pools for new and expanding businesses from the substantial savings of Saskatchewan residents. As of March 31, 1985, six Venture Capital Corporations were registered and a further 36 were in the process of raising capital for a total capitalization of $28.5 million.

The Winter Works Employment Program was a $6 million initiative to help private sector businesses and non-profit organizations create new jobs during the winter months. Some 2,350 new jobs in 1,200 firms and organizations were created under the program.

The Northern Saskatchewan Economic Development Revolving Fund was well used during the year. A record 77 loans totalling over $2.5 million were approved, resulting in the creation of 450 person years of employment.

Two special business programs continued to be popular in 1984-85. The Community Economic Development Program which helps smaller centres organize volunteer committees to attract businesses had 53 towns "on board". Over 100 businesses have located in 31 communities, with an equal number in various stages of negotiations.

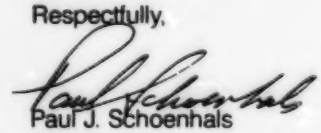
The Management Assistance Program involved 700 businesses in 29 communities. The program gives business people the opportunity to use private sector consulting firms to upgrade their management skills.

The 1984-85 fiscal year also saw the introduction of an exciting, innovative concept in business information. The department opened Business Resource Centres (BRCs) in Saskatoon, Prince Albert, Estevan and North Battleford. BRCs are scheduled as well for Yorkton, Swift Current and Regina.

Business Resource Centres offer one-stop business information and advisory services out of storefront locations. The centres, the first of their kind in North America, have been very successful in the regions they serve. The four BRCs which opened in 1984-85 report that their levels of regional activity have increased by nearly 300 per cent.

In summary, I note that over the past two years our government has established aggressive, far-reaching goals for tourism and small business in Saskatchewan. As a result of the initiative, expertise and dedication of department staff, tremendous progress has been made toward achieving these goals. It was a most productive and rewarding year.

Respectfully,



Paul J. Schoenhals
Minister
Saskatchewan Tourism and Small Business.

To the Honourable Paul Schoenhals
Minister of Tourism and Small Business

Sir:

I respectfully submit this Annual Report for the year ending March 31, 1985.

The high priority placed by the government on promoting and developing tourism and small business in Saskatchewan led to a number of organizational and administrative initiatives by the department in 1984/85.

Increased significance was given to promoting tourism and small business activities through media advertising, new publications, and audio-visual and film productions with the formation of the Promotions Branch.

Creation of the Public Affairs Branch gave greater importance to development of public awareness about tourism and small business programs and activities through the news media and direct communication with the public, groups and individuals. The new branch's activities led to an increase in media publicity, world-wide, for Saskatchewan's tourism attractions and activities and thereby helped attract more tourists to the province.

To enhance the development of tourism opportunities in north central and central Saskatchewan, the department established the Saskatoon Tourism Development Office. The office is part of the department's Business Resource Centre there and helps provide the fullest range of business development services.

To back up the extended promotions and publicity programs and improve the department's accessibility to potential tourists, the Canada-wide toll-free travel information service was expanded in May to include Minnesota, North and South Dakota, Montana and Wyoming. Phone inquiries from the United States increased by 43 per cent over 1983.

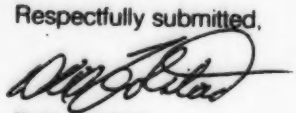
Three new strategic visitor reception centres, to be constructed by the spring of 1986, were planned to help encourage travellers on the province's main highway routes to extend their stay in Saskatchewan. Construction was started on the centre near Fleming on the Trans-Canada Highway at the Manitoba-Saskatchewan border. Centres will also be built at Langenburg on the Yellowhead Highway and Maple Creek on the Trans-Canada Highway and will be completed in time to coincide with the increased travel expected to and from Expo 86 in Vancouver.

Significant effort was expended during the year to develop materials and acquire special information packages for the new Business Resource Centres. The new publication, *Starting a Business in Saskatchewan*, has been particularly successful, as has each centre's Entrepreneur library of material on starting and managing over 240 types of business. The department acquires new small business information on an ongoing basis in order to keep the centres viable and up-to-date.

The Employee's Advisory Members (TEAM) committee was formed during the year to improve the quality of the workplace. Through their activities, committee members are confident that a team approach, involving management and staff, will develop on workplace issues and contribute to an improved level of productivity.

The staff is to be commended for its participation in this effort and I thank the staff for continued co-operation in meeting department program objectives.

Respectfully submitted,



Dale Folstad
Deputy Minister

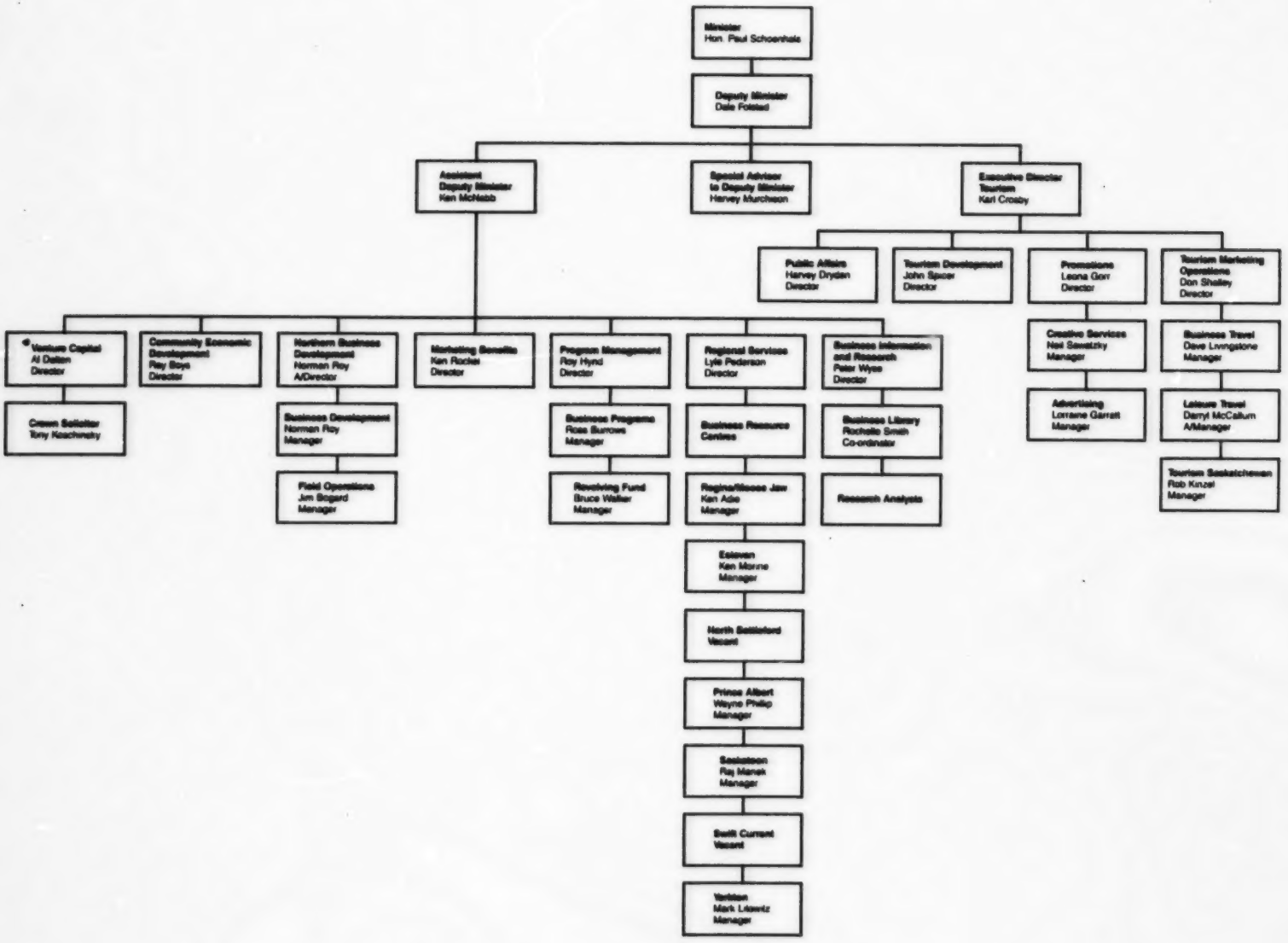
The Mandate

The mandate of Saskatchewan Tourism and Small Business is:

a) To encourage and support the stability and growth of the private sector in Saskatchewan;

b) To decrease the balance of payments deficit attributed to the travel industry, and

c) To ensure that a mechanism is available for the needs and interests of tourism and small business to be communicated to the provincial government and that government policies and programs are clearly communicated to the business community.


Minister
Hon. Paul Schoenhals
Deputy Minister
Dale Fossad
Assistant
Deputy Minister
Ken McNabb
Special Advisor
to Deputy Minister
Harvey Murcheson
Executive Director
Tourism
Karl Crosby
Public Affairs
Harvey Dryden
Director
Tourism Development
John Spicer
Director
Promotions
Leona Gorr
Director
Tourism Marketing
Operations
Don Shalley
Director
Venture Capital
Al Dalton
Director
Community Economic
Development
Ray Boys
Director
Northern Business
Development
Norman Roy
A/Director
Marketing Benefits
Ken Rocke
Director
Program Management
Roy Hynd
Director
Regional Services
Lyle Pederson
Director
Business Information
and Research
Peter Wyse
Director
Creative Services
Neil Sawatzky
Manager
Business Travel
Dave Livingstone
Manager
Crown Solicitor
Tony Koschinsky
Business Development
Norman Roy
Manager
Business Programs
Ross Burrows
Manager
Business Resource
Centres
Business Library
Richelle Smith
Co-ordinator
Advertising
Lorraine Garratt
Manager
Leisure Travel
Darryl McCallum
A/Manager
Field Operations
Jim Bogard
Manager
Revolving Fund
Bruce Walker
Manager
Regina/Moose Jaw
Ken Ade
Manager
Research Analysts
Tourism Saskatchewan
Rob Kinzel
Manager
Estevan
Ken Morrie
Manager
North Battleford
Vacant
Prince Albert
Wayne Philip
Manager
Saskatoon
Raj Manek
Manager
Swift Current
Vacant
Yorkton
Mark Litewitz
Manager

Small Business

Small Business Objectives

The department has seven objectives for the provision of effective development and support to small business and for the advocacy role it assumes in government circles on behalf of business.

Those objectives are:

1. To ensure that concerns of small business are identified and acted upon by the government;
2. To provide research data and information pertinent to small business development;
3. To ensure that small businesses have access to management expertise and other resources required to maximize their potential;
4. To contribute to the creation of a favourable environment which will ensure the maintenance, growth and diversification of business in small communities;
5. To ensure that indigenous firms have equal opportunities to participate in the business of the province;
6. To increase sales of Saskatchewan goods and services within the province with emphasis on the public sector market, markets related to major projects and consumer markets currently provided through imports;
7. To support economic development at the community level.

The Program Management Branch is responsible for the development, implementation and administration of many of the department's financial assistance programs.

In addition to the development of new program initiatives, the branch co-ordinates the evaluation, approval and implementation of project applications with other branches involved in the delivery of programs. The branch is responsible for the financial management of a number of programs and fulfills a monitoring role to ensure effective management of these programs within legislative, policy and fiscal guidelines.

The Winter Works Employment Program was created to address high seasonal unemployment. The program was designed to assist small

Michel Alynn Esthetics and Cosmetics, Regina

Elan Dixon, Winter Works Employment Program

businesses and non-profit organizations to alleviate this problem during the winter months.

The three-month program offered an incentive payment of 50 per cent of the gross monthly salary for each new job created to a maximum of $500 per month. Eligible jobs were created between January 1 and February 28, 1985 and continued for a minimum of three consecutive months.

As a result of the program, 2,350 new jobs were created in 1,200 firms and organizations. These employers received $3.3 million in payments between May 1 and June 20, 1985.

The Commerce Student Consulting Program is a program of the College of Commerce, University of Saskatchewan in co-operation with Saskatchewan Tourism and Small Business. The program operates during the summer months utilizing student consultants, under the supervision of the College of Commerce faculty, to provide assistance to small and medium-sized Saskatchewan businesses which would normally find difficulty in accessing business or management consulting services.

The program also provides a useful learning experience for commerce students, improving their potential as professionals upon completion of their education.

Revenue to fund the program is generated from charges to business clients for the consultants' time, with the department making up the shortfall in total operating expenses. (See Table 1).

This program is designed to assist small manufacturers to manage the product development process effectively. Clients under the program receive assistance with various product development activities, such as product design, building and testing prototypes, developing production drawings, market research and development.

Activities of the program are delivered by the Saskatchewan Research Council. The program was initially operated as a joint federal-provincial initiative between the department and Design Canada, a part of Industry, Trade and Commerce. Assistance to continue the program is now provided solely by Saskatchewan Tourism and Small Business.

For approved projects, the Product Development Management Program assumes 75 per cent of the cost, while program clients pay the remaining 25 per cent. (See Table 2).

Special ARDA (Agricultural Rural Development Agreement) is a joint federal-provincial program designed to provide financial assistance, management advice, training, counselling and other services for projects which will develop jobs, increase incomes and improve living conditions for Indian and Metis people in rural areas of Saskatchewan.

Since its inception in 1972, the program has continued to be in heavy demand. March 31, 1984, saw the expiry of the extended Special ARDA Agreement, following which a new agreement with the Department of Regional Industrial Expansion was negotiated. In August, 1984, an agreement was signed extending the program to March 31, 1987.

Tourism and Small Business is responsible for program delivery in the area of commercial

Dianne Manegre (l) and Marion Chow, College of Commerce students.

Hon. Paul Schoenhals and Premier Grant Devine: talking to business people

undertakings. This includes the proposal, development, implementation and administration of projects demonstrating commercial activity. (See Table 3).

The Revolving Fund is a mechanism established to provide commercial loans to residents of the Northern Administration District. The statutory limit of the Fund is $10 million, of which $3.67 million was available to lend during the fiscal year.
Activity during the year involved the receipt of 187 proposals of which 61 fishing and trapping and 25 commercial loans were approved. The net amount of loans approved was $2.43 million and employment created and maintained amounted to 460 person-years.

Since the program's inception in 1974, a total of 1,910 loan financing proposals have been approved, providing $22.9 million in loans for northern economic development. As a result of an intensive collections policy implemented during the year, cumulative revenue figures grew to $1.45 million, more than double the figure the previous year. (See Table 4).

The department encourages Saskatchewan manufacturers to improve management expertise by providing financial assistance to attend courses which contribute to the improvement of required skills and knowledge. The program also allows the department and client to share the cost of engaging the services of a management consultant to identify and resolve specific management problems. (See Table 5).

The Regional Services Branch, through its seven Business Resource Centres, provides the Saskatchewan business community with accessible, timely and professional business information and advisory services.

Regional business representatives function as business generalists to clients throughout their regions. Their service includes business counselling to those starting a new business, expanding an existing business or facing a specific business problem. They also act as business advocates, particularly where clients are adversely affected by government regulations.

The branch also organizes the delivery of the Management Assistance Program through chambers of commerce and other business organizations.

Seven Business Resource Centres (BRC) were established in the cities of Estevan, North Battleford, Prince Albert, Regina, Saskatoon, Swift Current and Yorkton. Four of these centres were officially opened in 1984/85.

The concept of store-front, high profile locations to provide business information and advice is the first of its kind in North America. The BRCs offer extensive libraries containing specific information on over 240 types of business plus information on sources of financing, market statistics and business ratios, most of which is immediately accessible by computer.

The BRCs provide for the decentralized promotion and delivery of department programs. They can

Saskatoon Business Resource Centre

Ken Morine, Estevan Business Respurce Centre

function as a pivotal point between the client and private business consulting firms, financial institutions and other government departments and agencies.

Activity at the BRCs has nearly tripled since their opening, with more than 20,000 requests for information and assistance handled, compared to 7,100 last year. About 80 per cent of the total requests resulted in the opening of client files and of these, 10 per cent were given intensive business counselling. More than 2,000 people were given assistance to access various sources of financing or government support. (See graph pg. 15)

A new publication, *Starting a Business in Saskatchewan*, will be entering its fourth printing in less than a year, with demand coming from new small businesses, accounting firms, banks and management consultants.

The Management Assistance program is intended to upgrade the management skills of small business owners and managers in Saskatchewan and to encourage the growth of the province's small business consulting industry. Private professional consultants provide the service. The program has been instrumental in encouraging the development of private small business consulting firms in the province.

In 1984/85 close to 500 businesses in 19 communities were served, bringing the total to over 700 businesses in 29 communities since the program was introduced.

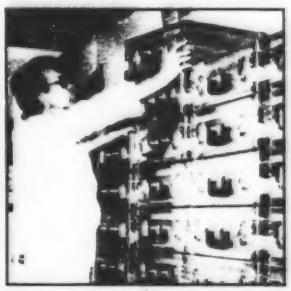
The Venture Capital Program, introduced in 1984/85, is designed to stimulate growth of the province's small business sector. It provides a tax incentive to both individuals and corporations who wish to invest in new or expanding Saskatchewan small businesses engaged primarily in manufacturing and processing, tourism and research and development. As an incentive to smaller centres, eligible investment criteria have been broadened to include small businesses in the service and retail sectors for communities under 5,000.

The branch acts as a resource to the business and investment community. Assistance is provided in matching the investor to the investee, in structuring potential VCCs, in advising on various legal and financial matters relating to venture capital, in expanding the level of public awareness about the program and in the formation of equity pools in the province.

Eligible investors receive a tax credit equal to 30 per cent of their investment in a Venture Capital Corporation (VCC). The tax credit is applied against net Saskatchewan tax payable. Certain eligible investors (such as Saskatchewan pension funds) who are exempt from paying income tax may receive a cash grant equal to 30 per cent of their VCC investment.

To introduce the Venture Capital Program to the public and to promote investment through the new legislation, staff developed and produced a variety of written information materials for distribution and

Verna Mogk, A. J. Dalton and Jim Zatulsky, Venture Capital Program



Strong Box Truck Co., Saskatoon

held public meetings across the province.

During the year, the branch held public meetings in all Saskatchewan centres with a population of 2,000 or more and attended other meetings upon request. In Saskatoon, the branch participated in a venture capital symposium sponsored by the private sector. Staff also met with lawyers, chartered accountants, entrepreneurs and others interested in the new program.

During the year, six VCCs were registered under the program representing a total capitalization of $1.252 million of which $735,000 was invested in eligible small business opportunities. In addition, another 36 have incorporated and/or are raising capital prior to applying for registration. These represent a further capital requirement of $27.3 million.

Slightly over $307,080 was credited to investing taxpayers during the tax year.

The Community Economic Development Branch is responsible for the stimulation of new and/or expanded economic and business activity in smaller communities throughout Saskatchewan. Working with volunteer development committees, branch personnel assist communities to undertake an organized economic development program. This includes organization assistance, training, professional advice, development of community profiles and identification and promotion of business opportunities in these communities.

During the year, the department became a supporting member of the Saskatchewan Committee of Rural Area Development (SCRAD) and branch personnel participated in four SCRAD community development seminars in various parts of the province.

Twenty-two new communities were added to the Community Economic Development Program during the year, bringing the total number of towns formally involved in the program to 53. Founded on a self-help strategy, the program assumes that through volunteer economic development committees, smaller centres can have a positive influence on their future development.

Development committees in participating communities (ranging in population from 700 to 5,000) attended an economic/business development training seminar which provided an understanding of the complexities of the development process. As well, they undertook a series of planned activities to

Peter Yeung (l), the owner of a new business in Watrous and Community Economic Development Committee member Delmer Rue

assess the economic potential of their town. The department contributed a total of $92,000 toward related community activities during the year.

One of the activities undertaken by each committee was to conduct a Consumer Survey in its town and surrounding area. Part of the survey allows consumers to identify gaps in local business services which can be viewed as potential new business opportunities. These, in turn, are promoted by the department through advertising in selected Saskatchewan and Canadian publications. In 31 of the 53 towns which have reached this stage, more than 100 new or expanded commercial and professional services have been acquired, with an equal number under negotiation. Many of these have been through the direct involvement of the local development committees.

Assiniboia
Broadview
Carlyle
Churchbridge
Coronach
Esterhazy
Foam Lake
Gravelbourg
Hudson Bay
Humboldt
Ituna
Kindersley
Kipling
Leader
Maple Creek
Meadow Lake
Nipawin
Porcupine Plain
Preeceville
Radville
Redvers
Rosthern
Shaunavon
Shellbrook
Spiritwood
Tisdale
Wadena
Wakaw
Watrous
Whitewood
Wynyard

Bienfait
Birch Hills
Bruno
Canora
Davidson
Eston
Fort Qu'Appelle
Indian Head
Kamsack
Kerrobert
Langenburg
Langham
Lanigan
La Ronge
Martensville
Naicam
Outlook
Rocanville
Rosetown
Sturgis
Waldheim
Wolseley

During the year, 157 Community Profiles were produced on Saskatchewan communities. In high demand, these profiles are widely distributed among the private and public sectors throughout Canada.

The department has standing requests from approximately 175 different organizations for complete sets of profiles as they are produced, and a user survey conducted during the year attests to their value in community analysis for future development potential. Plans are to expand the program to include virtually every community in the province that wishes to participate.

A new program initiated during the year, "Buy Locally Days", is designed to point out to Saskatchewan consumers the important role local business people play in the life of their community, regardless of its size or location, and the responsibility of consumers to patronize their local business community at every opportunity.

The week of November 5 to 10, 1984 was proclaimed "Buy Locally Days" in Saskatchewan

Rever's Foods Ltd., Regina

and the department promoted the buy locally theme through advertisements in every newspaper in the province. To stimulate local involvement, the department sponsored a contest for the most original local promotional activity during the week. Seventy-four small communities formally indicated their intentions to participate and 30 entered the contest. Award winners were chosen by a panel consisting of members of the Saskatchewan Chamber of Commerce Development Committee. The awards were presented at the January annual convention of the Saskatchewan Urban Municipalities Association.

Winners in the contest were:

- Biggar, 1,000 to 5,000 population group, for a "phantom shopper" promotion. Second place – Assiniboia; Third place – Langenburg; Honourable mention – Tisdale.
- Redvers, 400 to 999 population category, for Saskatchewan's largest hot dog and world's largest marshmallow. Second place – Cupar; Third place – Radisson; Honourable mention – Lampman.
- Zenon Park, under 400 population group, for a variety of special programs ranging from a pancake breakfast to a turkey shoot. Second place – Conquest; Third place – Simmie; Honourable mention – Marcelin.

The Northern Business Development Branch assists northerners to identify and establish viable economic development opportunities and strategies that help expand and diversify the northern economy, while remaining sensitive to northern lifestyles and cycles.

The branch encourages, promotes and assists a wide range of developments in northern Saskatchewan stressing opportunity identification and greater local participation. This is accomplished primarily through assistance to entrepreneurs in proposal development, project implementation and ongoing management support.

Federal and provincial government programs which reduce dependence on government transfer payments are co-ordinated and implemented.

The branch identifies, evaluates and recommends adjustments, where necessary, to federal and provincial regulations, policies and programs in order to enhance the northern business climate.

Branch personnel responded to approximately 6,990 inquiries for information and assistance through three regional offices in La Ronge, Buffalo Narrows and Creighton. A total of 187 clients were assisted in the development of financial proposals.

This resulted in the approval and subsequent implementation of 86 projects totalling $2.43 million and the creation or maintenance of 460 person years of employment. The process also stimulated direct private sector investment of approximately $1 million.

Wild rice processing plant. La Ronge

The development of approximately 75 new businesses and/or expansions was fostered, representing investments exceeding $7 million and the creation of some 250 new jobs.

Branch staff played a lead role in investigating opportunities for the commercial development of wild mushroom, berry and crayfish harvesting and processing operations. It also led in conceptualizing and ensuring the implementation of a comprehensive wild rice industry sectoral study. On behalf of the wild rice industry, the branch advocated adjustments to proposed revisions of a wild rice policy so that the policy more fully supports industry growth and development.

Assistance was provided to a tourist lodge feasibility study for the Fond du Lac area, to independent junior gold developers and to research on commercial utilization of herbs, cattails and other plants.

The Marketing Benefits Branch activities focus on encouraging purchasers to buy Saskatchewan-produced goods and services and, when feasible, encouraging expansion of existing manufacturing capacity.

As well, the branch helps manufacturers prepare bids, interpret specifications and gear up for production. It also provides assistance to joint ventures and consortia which are organizing large undertakings.

The branch broadened its direct contact with procurement officials in the public and private sectors to include the oil and gas industry. These contacts also included Saskatchewan manufacturers, processors, service firms, professional associations, chambers of commerce and boards of trade.

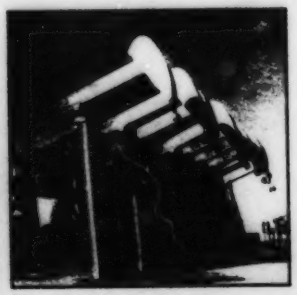
Through regular meetings with the business community, advertising in key media and the dissemination of Saskatchewan MADE promotional materials, the branch promoted Saskatchewan content and increased purchaser awareness.

The introduction of the Saskatchewan MADE program was a significant highlight of the year under review. This co-ordinated effort to identify Saskatchewan products proved popular, with over 600 businesses applying to use the Saskatchewan MADE logo.

The branch continued to be a sponsor of the Saskatchewan Manufacturing Opportunities Show, held in Regina in early February. The show

Sportsman's Lodge, McIntosh Lake

Brenda Stead, Marketing Benefits



Jensen Canada pump jacks

provided a forum for manufacturers to meet with buyers from major corporations, public utilities and other organizations looking for new suppliers.

During the year the branch assembled and distributed information about market opportunities and the capabilities of Saskatchewan manufacturers and suppliers. Publications developed included the *Saskatchewan MADE Consumer Products Directory, Meet Saskatchewan's Public Sector Purchasers Directory,* and the *Directory of Consulting Engineers.*

Some of the more significant projects in which the branch participated during the year were:

- a joint venture to manufacture oilfield equipment in Saskatchewan;
- a chemical company securing new markets with a national distributor;
- a manufacturer of a unique building material receiving contracts; and
- a series of seminars on how to sell to the government.

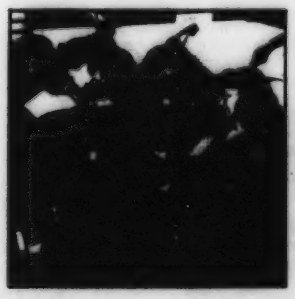
The Business Information and Research Branch has three basic functions:

- to provide information to the business community;
- to improve the business environment by acting as an advocate for the small business community within government and influencing government rules, regulations and services affecting business; and
- to deal with private sector requests for funding and develop new funding programs when required.

The branch performs its tasks through two sections: the Business Library and the Research Unit.

The Business Library completed its first full year of operation in a revamped format. By year end, most of the collection was catalogued and a computer accessing system was purchased. A public inquiry service was established with the number of inquiries rising by 15 per cent a month during the year. A document distribution system was established to make government documents more readily available on a one-stop basis. In addition, the Business Library developed and maintained special files on franchise opportunities in Saskatchewan, government programs and Saskatchewan communities.

The department maintains a continuous program of data gathering, market analyses and preparation of

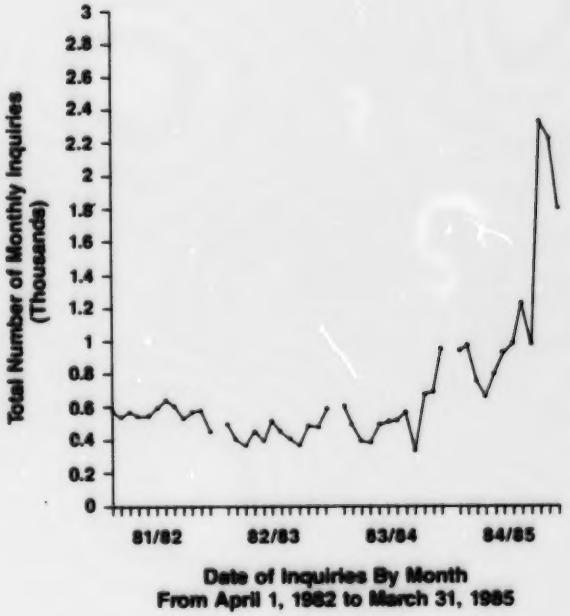


Custom Sportswear Ltd., Regina

Bonnie Baird, Business Library

tourism statistics and investment indicators. During 1984/85, a number of studies and publications were completed, including a tourism data book; a ski survey; a tourism bibliography; tourism market surveys for Alberta, Manitoba, and British Columbia; an events impact study; a study of the economic impact of tourism development at Tipperary Creek; Tourism Statistics (quarterly); Hotel Occupancy Statistics; and the Saskatchewan Resident Household Survey. In addition, a computerized tourism data base was established for investors.

A number of publications were developed, including a Directory of Government Programs and Services, a manual on starting and running a Venture Capital Corporation, Business Ratios, a statistical package on the furniture and fixtures industry and retail sales statistics. Approximately 30 business regulatory issues were researched from the small business perspective and the findings were forwarded to the appropriate authorities.



Beck Technology, Regina

Tourism

Tourism Objectives

The department has five major objectives pertaining to developing and marketing Saskatchewan's tourism product effectively. They are:

1. To provide the travel industry and consumer with a positive image of the province as a desirable vacation destination;
2. To stimulate private sector marketing and development initiatives;
3. To ensure that a good quality, competitive Saskatchewan vacation product is available for sale in the marketplace;
4. To ensure that adequate data exist which will improve decision-making in marketing and tourism development, and
5. To upgrade the level of service and management/employee attitudes within the hospitality industry.

It is the role of the Tourism Development Branch to stimulate and enhance economic growth within the province's tourism industry and to ensure that a competitive product of high quality is available in the marketplace.

To achieve maximum benefits from tourism, it is necessary to stimulate private sector development of viable tourism-related facilities, services and attractions in Saskatchewan and ensure that such development is supported through adequate marketing and planning activities.

The branch is involved in overseeing a tourism strategy for the province, helping maintain an up-to-date tourism data base, reviewing tourism development proposals, and improving hospitality in the service sector.

Jointly funded by Canada and Saskatchewan, the Saskatchewan Tourism Development Strategy provides the basic framework for tourism development in the province for both the private and the public sectors.

The Strategy, the first of its kind for the province, highlights Saskatchewan's opportunities to become competitive in the travel marketplace.

The first Canada-Saskatchewan Subsidiary Agreement on Tourism was signed in November, 1984. It creates the climate to generate public and

Western Development Museum, Saskatoon

Signing of the Canada-Saskatchewan Tourism Agreement

private sector investment in tourism facilities and attractions.

The $30 million, five-year Agreement provides the tools to implement the Saskatchewan Tourism Development Strategy and to guide the direction for development.

Major program areas of the Agreement are product development, marketing enhancement and support to industry structure.

The Tourism Development Program is a technical assistance program designed to guide private sector investors through the regulatory processes of government and to expedite the approval procedure.

Over 100 proposals were reviewed with developers during the year. Three major projects, with a total investment of $8 million, finished their initial phase or became fully operational in 1984/85. The Interdepartmental Co-ordinating Committee on Tourism continued to expedite government response and approval to developers.

Forty projects for developments in provincial parks were reviewed as part of the department's involvement with the Private Investment Committee of Saskatchewan Parks and Renewable Resources. Of these 40 projects, 10 have been approved for the 1985 summer season, ranging from miniature golf courses to stores. Approximately $500,000 in private sector capital investment is involved.

In addition, 11 development opportunities identified by Saskatchewan Parks and Renewable Resources were publicly tendered. Agreements have been successfully concluded with eight developers for projects ranging from miniature golf and stores to a waterslide and golf course. These projects represent $2.8 million in private sector capital investment.

Held on a test basis, the Saskatchewan Host program was conducted in 13 communities throughout the province in 1984.

Over 1,700 employees participated in the 72 seminars designed to upgrade the level of service in Saskatchewan's hospitality industry.

Discussions were begun to provide a more active role for industry in the Saskatchewan Host Program.

In conjunction with this program, the department produced 5,000 exchange rate cards to promote a fair rate of exchange on U.S. dollars. The cards were in high demand throughout the summer tourist season and prompted local chambers of commerce to institute similar programs to ensure American visitors a fair exchange rate.

A tourism development office was established in Saskatoon during the year in recognition of the wide-ranging tourism development opportunities in the northern and north-central portions of the province.

Mendel Art Gallery, Saskatoon

Pile O' Bones Sunday, Regina

The role of the Tourism Marketing Operations Branch is to market Saskatchewan tourism and recreation opportunities to both residents and non-residents. The branch is responsible for planning, developing and implementing tourism marketing strategies and programs and for providing Saskatchewan travel information to the public and the travel industry through its three sections: Leisure Travel, Business Travel and Travel Information.

The two primary objectives of the Leisure Travel Unit are to increase the number of visitors from the best potential markets and to increase their length of stay in Saskatchewan. Private sector marketing initiatives with these objectives are supported as well. The two major product areas stressed are:

- General touring – marketing and direct sales activites directed to the touring and vacationing public are undertaken to improve Saskatchewan's image as a destination area by raising awareness of its vacation opportunities; and
- Adventure travel – direct sales and marketing activites are employed to increase fishing and adventure-seeking visitor traffic to the province. Saskatchewan adventure tour packages are promoted in the marketplace and opportunities developed for inclusion in tour wholesaler programs in selected marketplaces.

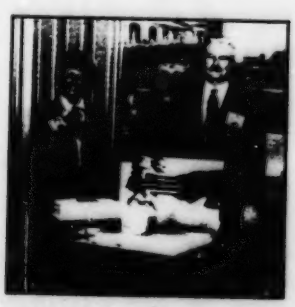
The Business Travel Unit is responsible for increasing the number of provincial, national and international conferences held in Saskatchewan each year, and for the development of incentive travel.

The marketing activities of the unit include the organization of Saskatchewan's private sector participation at business travel conferences and shows outside the province, the development of foreign convention markets, preparation of an annual guide to Saskatchewan's convention facilities, assistance in building delegate attendance at booked conventions, and making in-province presentations to encourage provincial organizations to make bids to hold parent organization meetings in the province.

Travel Information Services is responsible for providing information, through Tourism Saskatchewan and a network of Visitor Reception Centres, in response to written, telephone and personal travel inquiries. A computerized information system is maintained to facilitate comprehensive collection and delivery of timely data on tourism services, events, attractions and facilities in the province.

The Tourism Marketing Plan was developed and expanded during the year to include all aspects of tourism. It was released in the spring of 1985. The plan provided background information about Saskatchewan tourism and objectives and strategy for marketing and development programs, including advertising, promotion and tourism investment activity.

The department sold Saskatchewan's leisure travel products in more consumer travel shows than ever before. Major shows were attended in Regina, Yorkton, Calgary, Edmonton, Vancouver, Winnipeg, Thunder Bay, Toronto, Chicago, Minneapolis, Omaha, Denver, San Francisco and Minot.



Merle Kennedy and Dave Livingstone, Business Travel

Saskatchewan Conference on Tourism, Travel and Culture

The second all-Saskatchewan adventure marketplace was held in Minnesota, a prime adventure market, in January. The department and 20 members from the Northern Saskatchewan Outfitters Association (NSOA) participated in this event to market Saskatchewan's fishing products.

Representatives from Saskatchewan's cities and tourism industry sectors were participants in a North Dakota general touring sales mission organized by the department. It included Minot, Grand Forks, Fargo and Bismarck.

Group fishing sales missions to California, Colorado and Texas by the NSOA, the department, Frontier Airlines and other private sector representatives in January/February have resulted in increased fishing interest and an awareness of Saskatchewan as an adventure destination.

Product-testing and destination tours for travel trade representatives and influencers were again offered by the department in co-operation with Tourism Canada, airlines and the private sector to increase general touring and fishing/adventure travel traffic. Greater precision in the selection of influencers and travel trade has resulted in more return business from these contacts.

Group travel was encouraged by department participation in the National Tour Association Annual Marketplace in Nashville, Tennessee; the American Bus Association Marketplace in Salt Lake City, Utah, as well as marketplaces in Toronto and the Pacific Northwest.

Rendezvous Canada, a Canadian marketplace for national and international buyers was held in Edmonton with Saskatchewan's participation co-ordinated by the department.

Saskatchewan's first meeting and convention facilities guide was prepared and proved to be a valuable sales aid. This publication permits the department to disseminate facility information on a competitive basis with other provinces through trade shows, direct sales and direct marketing activities.

Bear hunting packages resulted in hunter traffic for the northern outfitters in the off-season periods. These packages offer a northern wilderness adventure and assist Saskatchewan Parks and Renewable Resources in managing the bear population.

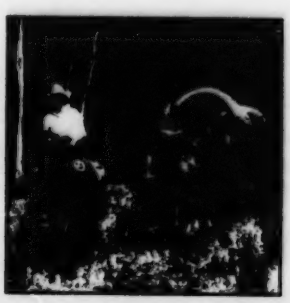
Other adventure package tours that have been developed by the private sector with assistance from the department include fishing, canoeing, goose hunting, houseboating and wagon trekking.

The department worked with local motorcoach companies and tour operators to encourage the development of tour packages offering one and multi-day motorcoach tours in the province. These operators made direct contact with organizations to encourage this type of travel.

Major efforts were made during the year to increase tourism data on the computerized information system, allowing for more complete travel publications. The number of tourism-related businesses on the system increased from 1,968 in 1982 to 3,175 in the 1984 calendar year.

In May, 1984, the Canada-wide toll-free telephone travel inquiry service was expanded to include

Bonnienede Vacation Farm



Heritage Covered Wagon Trek

Minnesota, North and South Dakota, Montana and Wyoming.

Telephone inquiries from Canada increased more than three-fold from 1983 to 1984. Phone inquiries from the United States increased by 43 per cent.

Tourist inquiry totals for 1984 were 43.8 per cent higher than in 1983. Of the 75,273 inquiries handled in 1984, 34.9 per cent were from Saskatchewan, 35 per cent from other parts of Canada, 29.2 per cent from the United States and 0.8 per cent from overseas.

Operating hours at the seven strategic Visitor Reception Centres were lengthened to provide better service to the traveller. Party registration/vehicle counts increased 6.7 per cent to 32,499 during the year.

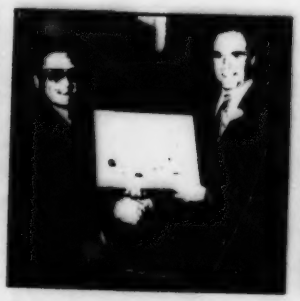
A development project for construction of new strategic information centres progressed during 1984/85. Detailed design was completed and tenders let, with a new centre to be opened on the Trans-Canada Highway at the Manitoba border in August, 1985. The design, giving a strong, progressive image of the province, will be used at new centres in Maple Creek, Langenburg and Lloydminster.

The Saskatchewan Ambassador Program was introduced in November, 1984. Harnessing the pride and enthusiasm of residents who are travelling outside Saskatchewan, the program is based on the premise that personal contact and word of mouth provide the best tourism promotion possible. Nearly 3,000 Saskatchewan Ambassadors were created during the year.

The role of the Tourism Marketing Assistance Program (TMAP) is to enhance tourism marketing initiatives of non-profit organizations. TMAP provides assistance up to a maximum of 50 per cent of the cost of new or additional promotional activities to attract visitors from outside a 100 kilometre radius of the event or attraction.

Tourist bureaux, chambers of commerce, cultural associations and other groups are eligible for support. By the end of the fiscal year, 100 projects qualified for assistance, with funding totalling over $600,000.

Doreen Maxwell, North Portal Visitor Information Centre



Presentation of the first Saskatchewan Ambassador's Certificate

Mosaic, Regina

The Promotions Branch develops, implements and evaluates the annual advertising and promotion plan for all tourism and small business programs of the department. Through research and statistical analysis the branch develops strategic direction for tourism marketing initiatives and, together with the Tourism Marketing Operations Branch, prepares, implements and evaluates the annual tourism marketing plan. In addition, the branch provides a consultative service to private sector tourism and business organizations with respect to their promotional strategies and activities.

The Advertising Unit develops and evaluates the department's annual advertising plans and strategies. It assesses branch requirements and formulates the annual plans and budget allocations with branch directors. It arranges and oversees advertising development by the advertising agency and is responsible for campaign evaluation. In addition, the unit arranges for market research requirements related to campaign delivery and results measurement.

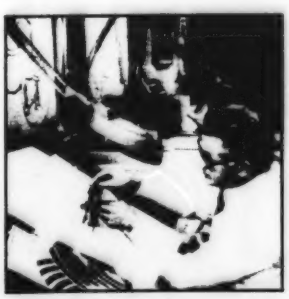
The Creative Services Unit is responsible for the conceptual planning, creative development and quality control of all print, display, special promotional items and audio-visual materials used by the department. Staff consult with other branches to identify and priorize their creative needs and to determine and manage appropriate budget allocations. The unit is responsible for co-ordinating and supervising the acquisition of all creative materials and equipment, as well as maintaining an extensive library of photos and audio-visual presentations.

A significant expansion of the department's out-of-province tourism promotion program and budget occurred in the 1984/85 fiscal year. As a result, general touring advertising campaigns were developed and delivered for the first time to North Dakota, Montana, Minnesota, Ontario and Alberta markets. The high visual impact media of television and magazines were utilized, including *Maclean's* and *Reader's Digest*. Advertising in February and March, the campaign's first two months, resulted in 3,800 inquiries. These market campaigns will continue until May, 1985.

Three market surveys were undertaken and their results formed the basis for development of the Alberta advertising campaign and provided data for future penetration of the British Columbia and Manitoba markets.

Over 800 inquiry coupons were received from sportfishing enthusiasts responding to Saskatchewan advertisements placed in Canadian and American publications in April and May of 1984 as well as December, 1984 to March, 1985. The department also implemented the first co-operative government/private sector adventure travel advertising program, with 16 northern outfitters participating in a six-page insert in the December/January issue of *In-Fisherman Magazine*. Ten thousand reprints were utilized at sport and travel shows in the United States and Canada.

The "Adventureland Canada" co-operative advertising campaign in American magazines continued for the second year, with Saskatchewan, Alberta, Northwest Territories, Manitoba and Tourism Canada as partners. Running during February and March, 1985, the advertisements focussed on fishing and other outdoor adventure opportunities in western Canada.



Jack Glasser, Creative Services

Department tourism publications

Advertising of Saskatchewan as a meeting/convention destination was enhanced compared to the previous year, with full-colour, larger space advertisements in Canadian and American market magazines directed at meeting/convention planners.

Within the province, a campaign which promoted awareness of the value of tourism to the provincial economy and encouraged hospitality to visitors was undertaken in May and June, 1984. A major tourism campaign running in the summer and promoting travel within the province realized over 3,000 coupon requests for further information.

In addition, advertising was carried out in the Saskatchewan market to inform residents about the Saskatchewan Ambassador Program. Winter travel opportunities in the province were also promoted to residents via newspaper and radio media.

Development work began on Saskatchewan's first major tourism film in 12 years. Depicting Saskatchewan in summer, the film is intended primarily for distribution in markets outside the province. It will portray Saskatchewan as a first-class tourism destination. The film will be released in June, 1985.

Nearly four years of development and refinement have resulted in the production of the finest ever travel literature series, including comprehensive outdoor adventure and accommodation guides and highlighted by the *Great Saskatchewan Vacation Book*. A calendar of events and new scenic poster series were also introduced. All travel information publications were made available to service inquiries at the earliest date ever.

As part of the production of printed materials, development work was undertaken to allow electronic transfer of correctly formatted information from SaskComp computers directly to the printer's typesetter.

The branch was involved in conceptualizing and providing the printed materials for the Saskatchewan Ambassador Program, including folder, brochure, and certificate. To supplement the Saskatchewan Host Program, an audio-visual presentation, "You're One in a Million", was produced for the hospitality training industry.

On an ongoing basis the branch provides advertising and creative consultations to a variety of organizations. During the year, some of these included a promotional theme for the Melville Chamber of Commerce, exhibit design concepts for the Yorkton Farm and Leisure Show, publication design and co-ordination for the *Saskatchewan Guide to Historic Sites of the North West Rebellion*, production assistance for the new "Heartland Canada" audio-visual presentation by Department Regional Industrial Expansion, design of official gift items for the Protocol Office and design ideas for wild rice packaging.

Significant activity within the small business area involved the establishment of the new Business Resource Centres, all requiring informational material and publications. The branch also arranged advertising for four official openings during the year.

Resource materials were produced for distribution through the resource centres, including the Entrepreneur series which provides detailed information on establishing over 200 types of businesses as well as the small business assistance "How To" series of 24 leaflets.

The availability of the new *Starting a Small Business*

Canoeing on the Churchill River

Barrel Racing at Craven

Department business publications

in Saskatchewan publication was advertised in all provincial newspapers. A total of 8,000 copies have been printed due to high demand throughout the small business community.

A series of brochures explaining all department programs was produced. Some of these included the "We Can Make It Here" pamphlet, Northern Revolving Fund pamphlet, Venture Capital Corporation pamphlet, and the Product Development Management Program pamphlet.

Advertising was placed in April promoting attendance at regional meetings explaining several new programs introduced in the provincial budget to assist Saskatchewan business.

As part of the Community Economic Development Program, business opportunities identified by economic development committees were advertised in June in Canadian daily newspapers with a single ad inviting entrepreneurs and professionals to contact the committee chairmen directly for information.

A training booklet for community economic development committees and profiles of the communities involved in the Community Economic Development program were developed and produced.

A provincial newspaper campaign publicizing the first-year "Buy Locally Days" promotion occurred in October. The Buy Locally Days booklet was also produced to inform communities about their participation in the program.

To salute small business during Business Week and Small Business Week in October, newspaper advertisements were placed stating the important role of the sector in the provincial economy and listing assistance programs and advisory services available from the Business Resource Centres.

The branch developed the Saskatchewan MADE advertising and direct marketing campaign which generated public awareness and interest in purchasing provincial goods and services. The campaign was also designed to encourage Saskatchewan manufacturers, professional service businesses and craftspeople to join the program and use the logo; and to motivate retailers to stock Saskatchewan MADE products and utilize the program decals and posters. From its inception in December, 1984 to the end of March, 1985, 400 manufacturers applied to participate in the logo program, with the number or retail outlets displaying the logo steadily increasing. In addition, a directory of Saskatchewan MADE consumer products and a directory of public sector purchasers were produced and distributed.

In January and February, a print advertising campaign for the Winter Works program informed business and non-profit organizations about the incentives to allow extra hiring at reduced cost.

Fresh Air Experience, Saskatoon

The Public Affairs Branch helps develop public awareness and understanding of department programs by organizing publicity activities, preparing promotional and background information, and serving as liaison between the department and the news media.

Staff regularly write press releases, brochures and feature articles on department programs; prepare speech notes and public statements for department officials; handle media inquiries; organize press interviews and news conferences; and co-ordinate events such as official openings, sod-turnings and public meetings.

The branch also plays a major role in the marketing of Saskatchewan as a travel destination. Public Affairs distributes feature articles on Saskatchewan attractions to travel editors, organizes media familiarization tours for writers from consumer and travel trade publications, and oversees the publicity component of tourism direct selling activities.

During the year under review the branch established a newsletter containing information on department programs in both the tourism and small business areas, plus "human interest" articles on various businesses and tourism operations. The newsletter has a circulation of 6,000 and is distributed to leaders in business, government and community organizations.

The branch also worked with Tourism Marketing Operations to produce another newsletter, this one aimed at motorcoach tour operators in Canada and the United States. *Tour Saskatchewan* provided operators with information on Saskatchewan attractions which could be incorporated into tour itineraries.

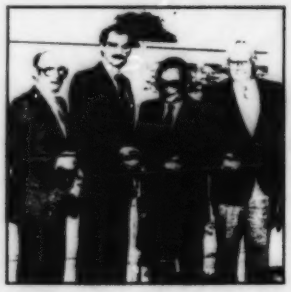
Recognizing the need for a library of material which could be supplied to travel editors, Public Affairs commissioned a series of travel features on the province's vacation spots. Branch staff also wrote editorial copy in connection with special tourism promotions in magazines like *Reader's Digest*.

Representatives of the branch assisted colleagues from Tourism Marketing Operations at various sport and travel shows and co-ordinated publicity at several of them, particularly the all-Saskatchewan adventure marketplace in Minneapolis. An information officer provided publicity for the department's successful sales blitz in North Dakota.

Public Affairs distributed information on a number of new business development programs. Staff arranged public meetings for, and editorial material on the department's new Winter Works Employment Program. They also promoted the department's Buy Locally Days campaign and the wind-up meetings of the Management Assistance Program in various communities.

The branch co-ordinated a number of official openings of new businesses which had accessed department advisory programs. As well, Public Affairs handled arrangements for the openings of the department's new Business Resource Centres in Saskatoon, Prince Albert, North Battleford and Estevan.

Information officers from the branch provided articles to provincial business magazines. Some articles profiled successful Saskatchewan companies; others provided overviews of new programs for small business.



Official opening of the North Battleford Business Resource Centre

Qu'Appelle celebrating its heritage

The Administration Branch is responsible for budgets, accounting, property and equipment, mail and records and systems development. During the year it also provided support services to Saskatchewan Economic Development and Trade.

Several new systems projects were initiated in 1984/85, including a tourism inquiry system, winter works employment system, business library and business statistics.

As of July 1, 1984, the personnel function was transferred to Saskatchewan Supply and Services as part of a pilot project to decentralize personnel services from the Public Service Commission to department-based personnel units.

A joint project was undertaken during the year by the Departments of Economic Development and Trade, Supply and Services and Tourism and Small Business to consolidate other administration activity in Supply and Services in order to provide support to all three departments. The advantages include improved productivity, economies of scale and consistency with the direction initiated by the personnel project.

Ray Desjarlais, Administration

	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80
No. of Projects Completed	25	29	31	29	35	28
No. of Students Participating	10	10	10	10	8	6
Actual Program Cost	$ 64,348	$ 63,590	$ 65,145	$ 58,067	$ 43,900	$ 33,101
T&SB Contribution	$ 44,940	$ 44,940	$ 42,000	$ 40,000	$ 35,000	$ 29,132

Year	Budget	Actual	Projects Completed
1979/80	$ 38,000	$13,807	5
1980/81	100,000	42,204	13
1981/82		31,604*	
1982/83	50,000	24,300	4
1983/84	100,000	56,242	13
1984/85	$100,000	$36,130	5

*The program was not operational in 1981/82; accordingly, no projects were approved that year. Disbursements totalling $31,604 were for outstanding commitments approved the previous year.

	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79
Applications Approved	14	32	1	56	36	17	13
Approved Grants – T&SB and DRIE	$ 555,997	$ 827,473	$ 178,150	$2,098,855	$1,563,499	$ 533,019	$ 276,078
Total Expenditure by Applicants	$1,773,354	$1,192,791	$ 440,770	$4,198,759	$1,870,324	$1,117,848	$ 554,325
Estimated Jobs Created	27	33	6	89	54	40	44

	# Fishing	# Trapping	# Commercial	# Total	$ Total
Active	254	95	139	488	$ 8.7 million
Repaid	532	138	255	925	9.8 million
Repossessed	2	0	41	43	1.8 million
Written-off	111	107	95	313	1.3 million
Pending Write-off	58	42	41	141	$ 1.3 million
Total	957	382	571	1,910	$ 22.9 million

As a result of an intense collections policy implemented during the year, cumulative revenue figures grew to $1.8 million, more than double the figure for the previous year.

	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79
Applications Approved	12	10	37	35	36	40	21
Disbursements	$ 9,551	$ 17,038	$ 25,096	$ 16,285	$ 25,266	$ 21,950	$ 13,049

Administration	$1,349,706.70
Regional Services	1,708,547.49
Community Economic Development	279,882.55
Communications	3,229,027.12
Tourism Development	244,999.43
Grants for General Business and Tourism Development	264,012.25
Employment and Development	56,296.26
Small Industry Development Program	8,274.84
Industrial Technical Assistance	70,076.81
Mainstreet Program	84,730.50
Small Business Interest Abatement Program	16,305.76
Northern Economic Development	1,407,593.96
Grants for Northern Economic Development	5,357.66
Marketing Benefits	376,358.21
Business Information and Research	566,287.26
Financial Assistance Administration	638,607.57
Tourism Marketing	1,155,446.99
Grants for Tourism Marketing Assistance	623,832.95
Small Business Employment	10,305,425.00
To provide for Net Expenditure (Recovery) of (from) The Northern Saskatchewan Economic Development Revolving Fund	216,961.57
TOTAL	$22,607,730.88